# Before the FEDERAL COMMUNICATIONS COMMISSIONEIVED Washington, D.C. 20554

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In the Matter of

Amendment of Part 90 of the Commission's
Rules to Facilitate Future Development of
SMR Systems in the 800 MHz. Frequency Band

Implementation of Section 309(j) of the
Communications Act-Competitive Bidding
800 MHz. SMR

To: The Commission

### COMMENTS OF FISHER COMMUNICATIONS, INC.

Fisher Communications, Inc. ("Fisher"), pursuant to the provisions of Section 1.415 of the Rules and Regulations of the Federal Communications Commission ("FCC" or "Commission") hereby submits its comments in response to the Further Notice of Proposed Rule Making in the above referenced proceeding.

# Fisher is An Interested Party

Fisher has been an analog SMR service provider for 12 years, providing SMR services to thousands of end-users in the Southern California, Western Arizona and Southern Nevada market areas. Operating many sites, Fisher has invested many hundreds of thousands of dollars in equipment and operations in order to reliably deliver its services. Fisher is the licensee of many 800 MHz. band channels in both the 860-865 MHz. band, proposed for ESMR use, and the 850 MHz. band which is proposed for use in local service areas. In concert with existing Rules of the Commission, Fisher's service area is defined not by major trading area ("MTA"), but is defined by regional economic areas of influence, i.e. the free market efficiently. This free market approach has allowed Fisher to serve its market efficiently.

For the above reasons, and because the Commission is considering substantial changes which could negatively impact Fisher's business, it is vitally important that Fisher be heard as a party with a substantial vested interest in the outcome of the above referenced proceeding.

## Re-Writing the Rules

The SMR marketplace is approaching maturity in major markets. Most urban markets have few unassigned channels available, and across the United States, SMR spectrum is serving more than one million commercial end users. Substantial investments have been made by both service suppliers, and the public which they serve. In fact, demand for this unique and efficient niche service has been increasing. Unlike personal communications service ("PCS"), which is yet to be defined by services or customers, and unlike cellular which targets mass consumer markets, SMR is a well defined service catering to commercial business interests who require inexpensive service to efficiently coordinate their field activities. There must be some overwhelming justification for re-writing the Rules in a manner which could cause damage to existing business users, and their service suppliers.

## MTA Licensing and Forced Frequency Re-Allocation

Fisher is opposed to Major Trading Area ("MTA")-based licensing. Fisher and others already operate wide area analog SMR systems without requiring mandatory migration of existing users. In fact, Fisher and others have also submitted applications to the FCC that would permit them to offer wide area services to its existing customers using advanced technology. It is clear that the grant of an MTA license is not a prerequisite to serving customers with wide area service without disruption of service.

The adoption of MTA based licensing with accompanying mandatory relocation serves the narrow interests of a small group of licensees that now understand the need for contiguous spectrum to achieve their goals of digital telephony in a nationwide network. The Commission would not be serving the public interest by putting the narrow interests of a troubled few ahead of the broader interests of existing end users and their suppliers.

Should the Commission feel compelled to adopt MTA licensing, Fisher strongly supports the Commission's proposal not to impose mandatory relocation for existing SMR licensees whose frequencies lie within the range selected for MTA licensing. To force relocation will cause massive disruption in services to end users, damaging the commercial best interests of those served, and those providing service. Those end users who would suffer the disruption in service are ironically not those who would be served by MTA based service suppliers. MTA service customers would likely be more interested in mobile telephone and telephony based services, rather than those interested in lower cost 2-Way dispatch radio services. Most importantly, there is considerable evidence that there is little or no comparable spectrum available for relocation in most urban markets.

The decision of the FCC to require relocation of incumbent 2 GHz.

licensees to accommodate the development of PCS is not germane to this issue. PCS is yet to be defined by either services, or customers.

#### Incumbent Modification

Fisher strongly urges the Commission to allow existing licensees to continue to provide service to their customers by relocating their systems within their existing coverage contour. There are numerous situations which could require an operator to relocate such as local zoning changes, electronic site economic issues, Federal policy as it relates to Bureau of Land Management, and U.S. Forest Service site policies. Fisher asks that it and other incumbent licensees should be allowed at least eight months to file modification applications to avoid being permanently surrounded by MTA or other wide area licensees, prior to the Commission accepting applications for any such MTA licenses. There must be some further ability of an existing licensee to move within his existing coverage contour even after any MTA licenses are authorized.

#### Co-Channel Protection

Fisher strongly urges the Commission to make use of this proceeding to clarify, and to strengthen the co-channel separation requirements. Fisher and other Southern California operators use high mountaintop base station locations to low lying valleys which easily allow service at least up to 35 miles from the base station site. The ability to provide such coverage from mountaintop sites is important to both service suppliers and those of the public who benefit from such wide area coverage. To diminish such coverage would render SMR service less economically viable to both the users and service suppliers.

#### Auctions

Fisher strongly disagrees with the decision of the FCC to auction SMR channels for local service. Such auctions completely ignore the needs of existing systems which are providing service to the public in an ongoing manner. Auctions very simply allow those with the deepest pockets to acquire licenses. With no frequencies available in most urban market settings, the Commission would be auctioning channels presently in use providing service to the public. Such action would only injure those using and operating those the channels. Without comparable spectrum available for relocation, the Commission would be either completely dis-enfranchising the public now being served, or it would be conducting sham auctions of unusable blue sky. In any case, auctions of SMR spectrum will doom most small-business SMR operations to failure by removing options for future growth.

#### Demand for SMR Service

The investment community and perhaps even the Commission have been led to believe that there is a huge latent demand for new telephony based services to be delivered via ESMR and PCS. There has been absolutely no corroboration of this among those who pay for such services. In contrast, demand for traditional SMR dispatch services continues to grow at a rapid pace. Fisher believes that the mandate of the marketplace should determine the rate of conversion to advanced technologies, rather than the mandate of the Commission. The best interest of the public is in reliable, inexpensive dispatch service. Fisher believes that this interest cannot possibly be served by the adoption of these proposals.

#### Conclusions

Fisher most strongly urges the Commission to consider with great care the impact this proceeding will have on existing users and service providers of the SMR industry. More than one million existing users, and many small-business service providers have significant investments already made in their businesses, and their respective equipment. Those incumbents should be allowed to continue to use, and to provide their services without disruption. Mandatory relocation of existing licensees should not be required. Existing licensees must be permitted to modify their facilities. Fisher further believes the FCC should seize this opportunity to strengthen its co-channel separation requirements to protect incumbent licensees, and the public community which relies upon them. Lastly, the Commission should not implement auctions of already heavily utilized SMR spectrum, and should continue to license SMR systems much as they are today.

Fisher, hereby requests that its comments be accepted, considered, and respectfully urges the Commission to proceed in a manner consistent with the views expressed within these comments.

Respectfully submitted,

Fisher Communications, Inc.

Dana B. Fisher, Jr

Dated: January 4, 1995